

STRONG COMMUNITIES PROGRAM FREQUENTLY ASKED QUESTIONS (FAQ)

Note to reader: This is a partial list of program requirements and is meant to serve as a general guide. This FAQ may be updated from time to time. Please check back.

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Program Overview and General Rules

1) What is the Strong Communities Program?

The Strong Communities Program (“SCP,” or the “Program”) was created in 2020 through the Rebuild Illinois capital budget, and funds are allocated from the Building Illinois Bond Fund.

2) What are the eligible uses for funding under the Program?

Grant funds may be used for the acquisition, maintenance, rehabilitation and demolition of abandoned residential property. Maximum costs per individual Parcel for all eligible uses cannot exceed \$40,000. Specific eligible activities include but are not limited to:

Eligible Activities

- Acquisition (*not to exceed \$5,000 per property (i.e. per underlying Parcel) to allow for abandonment petition for Judicial Deed, tax sale purchase and legal costs, etc.*)
- Rehabilitation (*can include interior and exterior rehab activities*)
- Demolition (*note that exceptions to the maximum per property cost of \$40,000 may be considered on a case-by-case basis for remediation requirements, and strategic demolition aligned with local planning efforts*)
- Tree, Shrub and Debris Removal (*excluding grass cutting*)
- Grass Cutting (*not to exceed 5% of grant amount*)
- Lot Treatment and Greening (*i.e. sod, level and grading, shrubs, native plantings, community gardens, stormwater management projects*)
- All reasonable hard and soft construction costs related to the activities listed above, which may be approved or denied in IHDA’s sole and absolute discretion
- Administrative costs (*maximum general administration fees consist of 5% of the total grant for administrative costs related to general management, oversight, and coordination, including staff and overhead*)

Eligible Properties

- 1-6 unit residential properties in the State of Illinois
- Properties that meet the definition of abandoned residential property (see question 3 below) under the Program
- Manufactured home taxed as real property with a foundation and no hitch or wheels
- Properties may have garages, outbuilding, and/or sheds (demolition/removal of these buildings is an eligible cost if associated residential property meets the definition of abandoned residential property.

Ineligible Properties

- Residential properties knowingly occupied by legal or non-legal residents
- Historically registered properties
- Commercial, industrial, or agricultural properties
- Mixed use properties with a residential unit component

The main activity on a property under the Program *must* either be rehabilitation or demolition of an Abandoned Residential Property as defined in question 3 below. Exceptions will be made for acquisition expenses on properties that align with community revitalization efforts and a clear disposition strategy. See question 42 below for more detail.

Please also note that deconstruction/salvage of building materials, fixtures, etc. is allowable as part of the demolition or rehabilitation of vacant and abandoned residential properties under the Program.

Please see Question 44 below for additional clarification regarding multi-unit buildings and allowable exceptions to the maximum per Parcel reimbursement amount.

3) How is an Abandoned Property defined under the Program?

Cite the location of the definition. According to [Appendix A](#) to the [Program Manual](#) Abandoned Residential Property shall mean real estate that:

1.) One (1) of the following conditions are shown to exist:

- A) Is not occupied by any mortgagor or lawful occupant as a principal residence; or
- B) Contains an incomplete structure if the real estate is zoned for residential development, when the structure is empty or otherwise uninhabited and in need of maintenance, repair or securing; and

OR

- 2) Two (2) or more of the following conditions are shown to exist:
 - A) Construction was initiated on the property and was discontinued prior to completion, leaving a building unsuitable for occupancy, and no construction has taken place in 6 months;
 - B) Multiple windows on the property are boarded up, closed off or smashed through, broken off or unhinged, or multiple window panes are broken and unrepaired;
 - C) Doors on the property are smashed through, broken off, unhinged or continuously unlocked;
 - D) The property has been stripped of copper or other materials, or interior fixtures to the property have been removed;
 - E) Gas, electrical or water services to the entire property have been terminated;
 - F) One or more written statements of the mortgagor or the mortgagor's personal representative or assigns, including documents of conveyance, indicate a clear intent to abandon the property;
 - G) Law enforcement officials have received at least one report of trespassing or vandalism or other illegal acts being committed at the property in the last 6 months;
 - H) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied under an order issued by a municipal or county authority or a court of competent jurisdiction;
 - I) The local police, fire or code enforcement authority has requested the owner or other interested or authorized party to secure or winterize the property due to the local authority declaring the property to be an imminent danger to the health, safety and welfare of the public;
 - J) The property is open and unprotected and in reasonable danger of significant damage due to exposure to the elements, vandalism or freezing; or
 - K) Other evidence indicates a clear intent to abandon the property; or
- 1.) The real estate is zoned for residential development and is a vacant lot that is in need of maintenance, repair and securing.

4) How is a Parcel defined under the Program?

According to the [Program Manual](#) Abandoned Residential Property shall mean a defined piece of real estate which can be identified by an individual PIN or as a single unit within a multi-unit building.

5) Where does the funding come from?

Funding for the Program is derived solely from the Build Illinois Bond Fund.

6) Is this a grant or loan?

This is a grant. This is a reimbursement program. Strong Communities Program grant funds not used in compliance with the grant agreement are subject to recapture.

7) Will grant funds be disbursed up front or will expenses be reimbursed?

All expenses will be reimbursed. After the activity is completed and the funds have been expended, expenses and proof of payment must be reported to IHDA. After the report is approved, funds will be reimbursed.

8) Will there be funding cycles?

There is expected to be one cycle per year based on applications received and funds available. IHDA anticipates 3 funding cycles for this Program.

9) How long will the program last?

IHDA anticipates that the Program will last through 2023.

Application and Scoring

Eligible Applicants

10) Who can apply for funding?

To be eligible, applicants must be a municipality, county, or land bank located in the State of Illinois. A county or municipality may join with other counties/municipalities and together submit a single application. A land bank can apply on its own.

Additionally, a land bank or regional planning commission can assist other units of local government within its jurisdiction with their applications and serve as third party administrators. The grant agreements will be with the units of local government. The maximum grant amount in both scenarios is \$250,000. Each county/municipality may only apply once per funding round.

11) How does an applicant apply for funding?

Applicant submits an application to the Illinois Housing Development Authority. Information on future funding rounds can be found on IHDA's [Revitalization and Repair Programs website](#), or by emailing SCPinfo@ihda.org.

12) Is an applicant guaranteed funding?

No. Each application will be scored based on qualifications including applicant's experience or expertise to manage the activities listed in the Application Guide; capacity for effective fiscal management proven through a third-party audit; Applicant's ability to identify which Eligible Activities are to be undertaken with Program funds; time for expending funds (inclusion of a budget and timeline schedule for performing the eligible uses of program funds outlined in the application); and other factors that IHDA requires to ensure proper grant administration.

13) Does it matter if the applicant is home rule or non-home rule unit of government?

No. Home rule and non-home rule units of government may apply.

Application Requirements

14) Do municipalities/counties need to provide a resolution or ordinance at time of application?

No, not at the time of application. If awarded grant funds, at time of preparing grant agreements IHDA will need an adopted resolution or ordinance from applicant allowing applicant to accept funds, and a copy of a certificate of incumbency of authorized officers.

15) If a municipality/county will be using third-party vendors, do vendor bids have to be in place before submitting an application?

No, but a solid, well-estimated budget is expected.

16) Does a municipality/county need to get an environmental clearance review in advance of submitting an application?

No, but the applicant will need to meet all certifications, including environmental certifications, before grant funds are disbursed for a property. Environmental certifications may include lead risk assessment, asbestos removal documentation, and/or other activities depending on the scope of the specific project. Refer to the [Program Manual](#) for further guidance.

17) Can an application include a mix of previously completed activities as well as planned activities?

Yes. However, payment will not be released until an activity has been completed. Each round has a defined start date for previous eligible activities. Consult the relevant funding application for the date. For Round 1, activities dating back to January 1, 2020 are eligible for submission.

18) Is IHDA available for pre-review of applications?

No. However, questions may be posed to SCPinfo@ihda.org and at any webinar offered prior to a round of funding (see [here](#) for details).

Maximum Grant Amount

19) What is the maximum grant amount available to applicants?

For Round 1, a maximum grant amount of \$250,000 per county/municipality applicant is established for all applicants. IHDA does not anticipate that every applicant will apply for the maximum funding available but will base their application on actual activities that can be addressed during the grant period. Award amounts will depend on the amount of funding available and the capacity of the applicant to undertake the planned activities.

Waiver of Maximum Grant Amount and Match Requirements

20) Is there consideration for an applicant providing matching funds?

Evidence or explanation of matching funds is not required, but applicants are encouraged to indicate if grant funds will help leverage additional resources.

Eligible Uses of Funds

21) Can past expenses be reimbursed?

Yes, if they meet the definition of Eligible Costs/Program Activities and were incurred on or after January 1, 2020 for Round 1 applicants (this date will change for future rounds).

22) If applying for reimbursement for past activities, what type of documentation is required for submittal?

Invoices, receipts (proof of payment), a report provided on a form supplied by IHDA, and compliance with all certifications are required for reimbursement. (Other documentation as required and approved in IHDA's in its sole discretion).

23) If the municipality/county has not yet paid for the work completed, can they still be reimbursed?

No. You must submit proof of payment with your reimbursement request to be paid on all eligible activities.

24) If we apply and are successful for dollars to reimburse demolitions that have previously been done in our community, would we still be able to maintain certain liens (i.e. weeds) in order to allow us to foreclose on those properties?

Applicable local laws should be followed. Municipalities and counties should consult with their legal counsel.

25) If costs are incurred for liens, fines, citations and attorney fees, are applicants allowed to bill those to this program? If they are, do they have to repay IHDA if the lien is lifted or a settlement is made? (During a fast track demo, you cannot bill attorney fees; can you use SCP to pay these fees?)

Program funds can be used to reimburse applicants for Eligible Costs/Program Activities as defined in the [Program Manual](#), page 1. Liens, fines, citations and attorney's fees are not stated as Eligible Costs/Program Activities, unless related to the cost of Acquisition of an Eligible Property as further defined in the [Program Manual](#). If a lien is settled or lifted, the amount received by the municipality for costs incurred for which the grantee has been reimbursed, shall be used by the grantee to further the revitalization efforts of the grantee.

26) Can I use city staff to perform activities or do I have to hire third parties?

You can use either.

27) Is municipality/county staff time eligible for reimbursement?

Maximum general administration fees consist of 5% of the total grant for administrative costs related to general management, oversight, and coordination, including staff and overhead. This amount will be reserved and disbursed to the grantee to cover administrative expenses based on grant progress. Administrative staff time should not be submitted as part of an Eligible Cost/Program Activity. However, staff time for labor directly related to the Eligible Costs/Program Activities, such as the person's time cutting the grass, is eligible. If you are using municipal crews for demo or rehab and submitting these costs for reimbursement, you will need to submit a ledger which lists each employee who performed work on the address being submitted for reimbursement, and also show the hours worked for all employees. You will also need to submit payment verification for this work, such as submitting copies of the pay stubs for these employees which cover the dates under which the work is being charged. Sick and vacation hours for employees are not eligible expenses.

28) Are administrative fees billable?

No. Maximum general administration fees consist of 5% of the total grant for administrative costs related to general management, oversight, and coordination, including staff and overhead. This amount will be reserved and released to the grantee to cover administrative expenses based on grant disbursement progress.

29) Are municipality/county equipment/materials eligible for reimbursement?

Equipment purchases are not eligible for reimbursement under this Program. However, equipment used to complete eligible grant activities can be reimbursed at standard usage/rental rates, with clear documentation.

30) Does repair to siding on a home qualify as an eligible use of grant dollars?

Yes.

31) What is the amount of time to spend funds and complete projects?

Grant funds must be expended within the time frame of the grant agreement. For Round 1, IHDA expects the grant term to be 24 months.

32) If meeting requirements takes longer than expected (due to delays beyond applicants control, i.e., State Historic Preservation or EPA), can the applicant receive an extension?

The Grant Funds Recovery Act allows 24 months for the expenditure of funds. No extensions are allowed beyond this period. Funds must be expended within this time frame.

33) Can we request for reimbursement for an asbestos inspection/abatement in one quarter and then for the demolition of the same property in the next quarter?

Yes. You can submit for expenses on the same property in different quarters.

Eligible Properties

34) Does a municipality/county have to be the owner of the abandoned property?

Municipalities and counties applying for grant funds must have the legal authority to undertake activities under the Program.

35) What if an abandoned property has a state lien placed on it (i.e. a Public Aid lien on a home where a person has been placed in a nursing home for years) and the home was left abandoned? How are those state liens handled or would they even be eligible?

Municipalities and counties applying for grant funds must have the legal authority to undertake activities under the Program.

36) Are multi-family buildings eligible?

Residential buildings of 1-6 units that meet the definition of Abandoned Residential Property, as that term is defined in [Appendix A](#) to the Strong Community Program [Program Manual](#) and in Question 3 above, are eligible.

37) Can funds be applied to eligible uses on commercial property?

No, the property must be a residential-only property of 1-6 units.

38) Are buildings zoned for mixed use eligible?

No. Buildings must meet the definition of Abandoned Residential Property as detailed in [Appendix A](#) of the [Program Manual](#) and in question 3 above.

39) Is the demolition of an abandoned non-residential building (i.e. a school building) that is zoned residential eligible for the Strong Communities Program?

No. In order to be reimbursed for Eligible Costs/Program Activities under the Program, the building must meet the definition of Abandoned Residential Property, as that term is defined in [Appendix A](#) to the [SCP Program Manual](#) and in question 3 above.

40) If a municipality has four homes meeting the definition of Abandoned Residential Property and there is an abandoned garage on an adjacent parcel, can grant funds be used to demolish the garage as well as the Abandoned Residential Properties?

No. In this example, demolition of the garage that is not on the same parcel does not fall within the definition of Eligible Costs/Program Activities. The funds under the program are for Eligible Costs/Program Activities for Abandoned Residential Properties defined in the [Appendix A](#) of the SCP [Program Manual](#).

41) Can we use these funds on HUD homes? (HUD is on the title)

Municipalities and counties applying for grant funds must have the legal authority to undertake activities under the program.

42) Does SCP expect that the grant recipient will rehabilitate a home or is acquiring a home and selling it as-is considered a success for the program?

A property returned to taxable and productive use is considered a success in the Program. Acquiring a home and selling it as-is is an allowable activity as long it promotes the goals of the Program by supporting affordable housing and achieves other outcomes aligning with local community revitalization goals, i.e. job training goals, partnerships with mission-driven housing partners or other local non-profits, etc. Reporting will be required to demonstrate outcomes on all properties utilizing program funds.

43) Can grantees submit debris removal or tree removal expenses on a parcel that does not contain a residential structure?

The main activity on a parcel must either be demolition or rehabilitation of an Abandoned Residential Property. Tree removal, debris removal and other Eligible Program Activities can be reimbursed if associated with a demolition or

rehabilitation project on the parcel. If there is no associated demolition or rehabilitation project on the parcel, costs for these other activities cannot be reimbursed.

44) For multi-unit buildings, does the \$40,000 maximum reimbursement per individual Parcel apply per individual residential unit and/or per individual PIN associated with a Parcel?

Both. The maximum reimbursement amount can be used on each residential unit and on each separate PIN. The Program Manual indicates that maximum costs per individual Parcel for all eligible uses cannot exceed \$40,000. For the purposes of this program, an individual residential unit is considered a separate and individual Parcel. If a Parcel has more than one distinct PIN, OR if other evidence can be provided that clearly demonstrates that a defined piece of real estate contains more than one distinct, legal residential unit, IHDA will allow up to \$40,000 to be reimbursed per residential unit. Such evidence could be confirmation from the Local Township/County Assessor verifying multiple separate apartments represented by one PIN. So, for example, if evidence can be provided demonstrating a property contains two distinct, legal residential units, up to \$80,000 could be requested for reimbursement. This applies for both demolition and rehabilitation projects. The maximum reimbursable amount for acquisition will remain \$5,000 per property, regardless of the number of units.

Additionally, please note that IHDA will also consider exceptions to the \$40,000 maximum per property on a case-by-case basis for **demolition projects only, regardless of the number of units (up to six units maximum)**, in cases where remediation expenses (i.e. asbestos removal) increase the overall demolition cost significantly, or where the project can be considered a strategic demolition aligning with local planning efforts.

IHDA reserves the right in its sole discretion to approve or deny any exception request. Please reach out to IHDA at SCPinfo@ihda.org to request an exception, or with any further questions on the above exceptions.

Construction Overview

Rehabilitation is subject to the [ILLINOIS HOUSING DEVELOPMENT AUTHORITY STANDARDS FOR ARCHITECTURAL PLANNING AND CONSTRUCTION](#), as applicable. Please see the document for further guidance.

45) Are well water and septic systems allowed? Alternatively, is city water required for the program?

New water/sewer services should be from the municipality, if available. If the existing system is a well/septic, we do not require a change. Septic system repairs or replacement is an allowable expense.

46) Must we address lead in the entire home or just in areas where work is being performed?

Homes built after 1978 need only be tested for lead if the grantee considers it necessary. For SCP rehab projects involving interior work, homes built before 1978 will need to prepare a lead risk assessment report of the entire home. This lead risk assessment report will need to be submitted for funding disbursement. For SCP rehab projects only addressing exterior safety concerns (such as roof repairs), if the home was built before 1978, only the areas affected by rehab work (roof, soffit, fascia, etc.) need a lead risk assessment.

47) If we put a new roof on the home, do we have to install gutters?

If you put a new roof on the home, you must make sure the fascia, soffit, gutters, and downspouts are replaced or are in good condition.

48) What are eligible renovation items under the SCP program?

- Accessibility related improvements
- Energy Efficiency related improvements
- Environmental related hazards
 - Lead and Radon Mitigation
- Improvements to:

Interior

- Electrical

- Plumbing
- Insulation
- Wall and Ceiling
- Flooring
- Stairs
- Cabinetry and Countertops
- Bathroom Vanities and Lavatory Repair/Replacement
- Fire and Smoke Alarm Systems
- Windows and Doors
- HVAC
- Replacement of outdated/inefficient stove or refrigerator, if necessary
- Replacement of other existing major inoperable appliances (dishwasher, washer, dryer, etc.)
- Roofing (including soffits and fascia)
- Drainage (including grading and gutters)
- Painting
- Structural Improvements
- Stairs
- Chimneys
- Fire Escapes
- Windows and Doors
- Porches and Steps
- Siding
- Other Improvements as approved by IHDA

Exterior

49) What are ineligible renovation items under the SCP program?

- Improvements that are significantly above local market rate
- Replacement of major appliances that are still in working condition (dishwasher, washer, dryer, etc.)
- Luxury Improvements, such as:
 - Swimming pools
 - Jacuzzis
 - Marble/Granite counter tops, etc.

Floodplain Overview

50) Can we rehabilitate projects in a floodplain?

Yes you can, however, FEMA requires that projects with rehabilitation equal or greater than 50% of the market value follow the new construction requirements for the floodplain area, which could possibly involve elevation. The costs can easily be prohibitive. Any program allowing work in a floodplain or floodway should check with FEMA for guidance and provide adequate documentation to IHDA showing that all required steps have been taken and that the project is feasible. To find out if your project is in a floodplain, see: <https://msc.fema.gov/portal>.

51) What are the definitions of the map zones shown on a FEMA map?

Flood hazard areas identified on the Flood Insurance Rate Map are a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a one percent (1%) chance of being equaled or exceeded in any given year. The one percent (1%) annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood.

The areas of **minimal flood hazard**, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded). Any project in a Special Flood Hazard Area is subject to the rules discussed in Question 47. Please see <https://msc.fema.gov/portal> to search for further information.

Reimbursement Request Process

Mandatory Requirements and Compliance

- 52) Does a municipality/county have to go through the condemnation process before using grant funds?**
Condemnation is not required.

53) Do we have to advertise for bids?

While there are no specific requirements for advertising for bids under the Strong Communities Program, you are required to comply with all applicable laws and regulations, including applicable municipal procurement policies and procedures as certified in your funding application (certification #9). Do note that submission of bids will be required before disbursement of funds.

Environmental Compliance

- 54) If the municipality/county is a certified unit of local government, and as such are eligible to demolish buildings, why do we need EPA and ISHPA approval**

Funding for the Strong Communities Program is derived from the Build Illinois Bonds Fund and therefore grant funds under the program are considered state funds thereby triggering state historic preservation and environmental requirements.

55) Do we have to comply with all environmental laws for all activities?

Yes, a municipality or county must comply with all applicable environmental laws. Funding for the Strong Communities Program is derived from the Build Illinois Bonds Fund and therefore grant funds under the program are considered state funds, thereby triggering historic preservation and environmental requirements triggered by the activities undertaken. Every property must adhere to the requirements of a Historic Preservation review through the Illinois Historic Preservation Agency (see <https://www2.illinois.gov/dnrhistoric/Preserve/SiteAssets/Pages/Resource-Protection/Initial%20Documentation%20Required.pdf>). Note that Certified Local Government approval will also be accepted for the Historic Preservation review.

56) Is it mandatory to perform asbestos removal on a property?

For any activity undertaken and submitted for reimbursement under your SCP award, you must follow all local, county, and state laws that pertain to such activities. Before demolishing a property, you must ensure all federal, state, county, and local requirements for demolition, asbestos inspections, and handling/removal of hazardous containing materials are met.

Asbestos abatement may be an eligible use of Program funds if the asbestos abatement falls under an Eligible Program Activity as described in the [Program Manual](#). For more information regarding asbestos requirements, see <https://www2.illinois.gov/epa/topics/air-quality/asbestos/Pages/default.aspx>.

Additionally, a municipality or county must comply with all applicable environmental laws. Funding for the Strong Communities Program is derived from the Build Illinois Bonds Fund and therefore grant funds under the program are considered state funds, thereby triggering historic preservation and environmental requirements triggered by the activities undertaken. Every property must adhere to the requirements of a Historic Preservation review through the Illinois Historic Preservation Agency (see <https://www2.illinois.gov/dnrhistoric/Preserve/SiteAssets/Pages/Resource-Protection/Initial%20Documentation%20Required.pdf>). Note that Certified Local Government approval will also be accepted for the Historic Preservation review.

Prevailing Wage

57) What are the program's requirements for prevailing wage?

The Strong Communities Program follows the Illinois Department of Labor's [Prevailing Wage Act](#). If a sponsor is utilizing state funds (SCP grant money) to pay a contractor to do construction or repairs, then prevailing wage needs to be observed.

58) Do contractors have to prove prevailing wage?

Contractors utilized for program purposes and compensated under SCP grant funds are expected to adhere to all prevailing wage requirements listed above. IHDA may at any time request documentation of the grantee's compliance with these prevailing wage requirements as it deems necessary.

Repayment and Post-Program Requirements

59) Do grant funds have to be repaid?

Grant funds are not required to be repaid. The Strong Communities Program is a reimbursement program and funds will be disbursed for Eligible Costs/Program Activities as defined in the in the [Program Manual](#), page 1.

60) If we use SCP funding, are there any post-program permanent restrictions on the properties?

No, there are no post-program permanent restrictions on properties under the Strong Communities Program. Do bear in mind that per the grant agreement, you must maintain records that pertain to the program for 5 years.

Further Questions

61) What if I have further questions?

Requests for notification of funding availability, future webinars, and questions about the Program may be submitted to SCPinfo@ihda.org.